



THE PORT
OF LOS ANGELES

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: FEBRUARY 15, 2017

FROM: CONSTRUCTION AND MAINTENANCE

SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 39802 TO NATIONAL AUTO FLEET GROUP FOR THE PURCHASE OF SIX FORD POLICE INTERCEPTOR UTILITY VEHICLES

SUMMARY:

Staff requests that the Board of Harbor Commissioners approve Contract No. 39802 with National Auto Fleet Group of Watsonville, CA for the purchase of six Ford Police Interceptor Utility vehicles in the amount of \$255,563, including sales tax and fees. These vehicles will replace six existing police vehicles that have reached the end of their service life. These replacements were planned and funded in the Fiscal Year 2016-17 capital equipment budget. These contracts are the financial responsibility of the Harbor Department.

RECOMMENDATION:

Staff recommends that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with City of Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15 (a)(8), the Harbor Department may enter into an agreement with National Auto Fleet Group utilizing a current agreement for such services with the National Joint Powers Alliance (NJPA) Contract No. 102811, a cooperative purchase agreement;
3. Approve Contract No. 39802 with National Auto Fleet Group for the purchase and delivery of six Ford Police Interceptor Utility vehicles for an amount not to exceed \$255,563;
4. Authorize the Executive Director to execute and Board Secretary to attest Contract No. 39802 for and behalf of the Board; and
5. Adopt Resolution No. _____ .

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DISCUSSION:

Background/Context – The City of Los Angeles Harbor Department (Harbor Department) regularly replaces vehicles and equipment when they reach the end of their service life or if maintenance costs exceed the value of a vehicle or piece of equipment. No vehicle or piece of equipment will be replaced at the Harbor Department if it is still functioning properly and does not incur excessive costs to maintain.

The Construction and Maintenance Division (C&M) Vehicle and Equipment Replacement Guidelines Standard Operating Procedures (SOP) manual (Transmittal 4) was used to determine the actions requested in this report. C&M takes into consideration the capital costs associated with purchasing vehicles and balances those costs against the repair costs. C&M also seeks to extend the life of vehicles that are in good condition, even though the SOP manual recommends replacement of high usage vehicles, such as Port Police emergency response/patrol vehicles, in the seventh year or upon reaching 100,000 miles. The requested police vehicles will be used as patrol vehicles. Port Police patrol vehicles that reach the end of their service life in this capacity are converted into unmarked police vehicles and remain in non-patrol service until they reach ten years or 100,000 miles. The vehicles scheduled for replacement have been assessed by C&M fleet staff and supervisors, as well as Port Police staff, and meet the threshold for replacement (Transmittal 2). The replacement process was planned and funded in the Fiscal Year 2016-17 capital equipment budget.

C&M is requesting the Ford police interceptor utility vehicles in order to promote consistency in the fleet replacement and repair operations at the Harbor Department. Pursuant to analysis of fleet maintenance factors, which includes repairs, training, and parts inventory, C&M has determined that maintaining a single make of vehicle ensures effectiveness and efficiency in training, vehicle parts replacement and repair costs. The goal of C&M is to keep as many vehicles as possible in the Ford line. The majority of existing C&M light-, medium-, and heavy-duty trucks and Port Police vehicles are Ford makes for the same reason.

Contract Process – It is recommended that the Harbor Department join (“piggy back”) National Joint Powers Alliance (NJPA) Contract No. 102811. The Harbor Department’s contract will incorporate City contracting requirements, such as the City’s business tax registration certificate requirement and the Equal Benefits Ordinance. Due to the pricing afforded through joining the larger NJPA contract, it is in the Harbor Department’s best interest to do so.

The City of Los Angeles Charter Article III, Section 371(e)(8) and Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15 (a)(8) allows for

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“contracts for cooperative arrangement with other governmental agencies for the utilization of the purchasing contracts and professional, scientific, expert or technical services contracts for those agencies and any implementing agreements, even though the contracts and implementing agreements were not entered into through a competitive bid process.”

ENVIRONMENTAL ASSESSMENT:

The proposed action is for the approval of Contract No. 39802 with National Auto Fleet Group of Watsonville, CA for the purchase of six Ford Police Interceptor Utility vehicles. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The purchase of the six vehicles through Contract No. 39802 will cost the Harbor Department a total of \$255,563 including taxes and fees. Total ongoing maintenance costs associated with the new vehicles is expected to be approximately \$1,000 per vehicle annually, excluding fuel costs and including warranty provisions or \$6,000 for all six vehicles, for at least the next four years. This amount reflects at least a 20% reduction in operations and maintenance costs for the existing vehicles which will be salvaged through the Department of General Services once the replacements are received.

One alternative to replacing the current police vehicles would be to continue regular maintenance and as needed repairs. However, this option would cost more than current estimated annual maintenance expenses. These expenses can only be expected to increase with time due to age, wear, and tear, e.g. if transmissions or other critical vehicle systems fail. Another alternative is to lease vehicles. Leasing vehicles for continuance use, particularly for police purposes, however, is not practical.

Funds in the amount of \$300,000 for the proposed six vehicles were included in the Fiscal Year 2016-17 Construction & Maintenance Division Capital Equipment Budget Account No. 13150, Center No. 0510, and Program No. 000.

It should be noted that the original budget line item for the Port Police vehicles was for seven vehicles. During the course of the year, the Port Police requested a substitution of one of the interceptor vehicles for an additional command vehicle for the same unit cost. There was no net change to the budget appropriation for capital equipment overall.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved Contract No. 39802 as to form and legality.

TRANSMITTALS:

1. Contract No. 39802
2. C&M Vehicle and Equipment Replacement Guidelines (Draft)

FIS Approval: MB (initials)

CA Approval: gm (initials)



JOE MALDONADO
Director of Port Construction and Maintenance



ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director

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